5.4 COMPENSATION PLAN

a. Step Placement

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An employee appointed to a position should normally be compensated at the minimum rate of pay assigned to the class to which the position is allocated. However, at the request of the appointing authority, subject to the approval of the Mayor, and within existing budgetary approvals, original employment at a salary above the minimum step may be made on written certification by the Human Resources Director that such action is justified by exceptional qualifications of the applicant. Such a request must be made by the appointing authority at the time of the hire and shall not be granted at a later date. To the extent that previous relevant experience equals or exceeds the necessary knowledge and skills, job duties, and responsibilities of the position being sought, as determined by the Human Resources Director, who mayin consultation with the hiring authority as necessary, those specific and relevant years of experience (less the minimum number of years of experience required in the position description) may be converted to additional steps at a 2:1 ratio, up to and including a maximum of step seven (7). Prior relevant-experience that does not equal or exceed necessary the knowledge and skills, job duties, and responsibilities of the position, but is deemed by the Human Resources Director to be relevant transferable skills to those being sought, may be factored in at a higher ratio. Additional relevant education, or professional certification beyond the minimum requirement may result in a maximum of one additional step. Upon placement of an employee, a communication shall be sent to the City Council detailing placement.

In the case of a former City employee returning within five (5) years to City employment, the employee may be reinstated at the step level in effect at the time of separation providing the employee left City service in good standing, or may be placed according to the step-placement calculation, whichever results in the higher placement. This determination shall be made at the discretion of the Human Resources Director based on the nature of the positions or and if returning to the same position, the changes that may have occurred in thea position during the period of absence.

In limited situations, a Department Head or management employee may be compensated outside the limits of the City's compensation plan based on the recommendation of the Finance Board and a finding by the City Council either that particular circumstances within the City require that the person holding the position be compensated outside the plan or that the individual assuming the position has specific expertise or qualifications that are essential to the operation of the Department. No commissioner or other City official or employee shall have the authority to make any salary offer or promise to a prospective employee other than as specifically set forth herein. Any salary offer or promise made to a prospective employee that is inconsistent with these provisions shall not be binding upon the City and shall be null and void.

b. Step Increase - Performance Evaluation

Step increases require certification by the immediate supervisor and approval by the Department Head that the employee is performing at an acceptable level of competence. The eligibility date for a step increase shall be the employee's anniversary date of hire as a regular employee and thereafter the end of each year of satisfactory service in the same class until the maximum for that salary range is reached. All step increases are subject to budgetary authority and constraint.

Step increases shall be withheld from employees whose annual performance evaluation indicates less than satisfactory service. Written notice of denial of a step increase and the reasons therefore should be submitted to the employee at least seven (7) calendar days prior to the due date. Once the employee is performing satisfactorily, the supervisor may, with the approval of the Department Head, grant the step increase. **The step increase will not be retroactive**. The employee's eligibility date for the future step increases shall remain unchanged. Any performance evaluation may be grieved pursuant to the procedures set forth in Section 10.

c. Promotions/Placement After Reclassification to a Higher Grade

Promotions occur when an individual applies for and is awarded an existing vacant position in a classification with a higher grade. The employee shall be placed as a new hire in the position as provided in Sec. 5.4.a.. With the approval of the Human Resources Director, the employee shall be placed at a step based on exceptional qualifications including years of relevant experience. Years of previous experience that are equivalent or substantively similar to the necessary knowledge, skills, and responsibilities of the new position may be converted to additional steps at a 2:1 ratio. Prior relevant experience that is not substantively similar may be factored in at a higher ratio. Except that (The new rate shall not be less than a five (5) percent increase over their current rate or below the minimum for the grade, or more than 10% above the employee's current rate. The employee's anniversary date will become the date that the employee was promoted to the new position and the employee will enter a new probationary period at that time.

In addition, an employee may serve in a position that is reclassified. If an employee is promoted or is in a position that has been reclassified to a higher grade_a, † The employee will enter that higher grade at the lowest step which ensures at least a five (5) percent increase over his or her their current rate. However, step placement shall never exceed maximum step placement in the new grade. With the approval of the Human Resources Director, the employee shall be placed at a step based on exceptional qualifications including years of relevant experience. Years of previous experience that are equivalent or substantively similar to the necessary knowledge, skills, and responsibilities of the new position may be converted to additional steps at a 2:1 ratio. Prior relevant experience that is not substantively similar may be factored in at a higher ratio. The new rate shall not be less than the minimum for the grade or more than 10% above the employee's current rate.

When an employee is promoted, the employee's anniversary date will become the date that the employee was promoted to the new position and the employee will enter a new probationary period at that time. However, an The employee's anniversary date will not change as a result of a reclassification of the employee's existing position.

d. Reorganization

When a Department Head plans to eliminate a position or to reorganize a single operation or group of operations, the employee will provide a written proposal for the proposed reorganization to the Human Resources Director.— This proposal shall identify the basis for the reorganization or the proposed change in position(s), the positions affected, the overall impact on the Department, and shall identify the effect on public service. A proposed organizational chart will be produced. A proposal that would result in the creation of a new position and the addition of employees within a Department will require a review under this section. The Human Resources Director and the requesting Department shall then present the planned reorganization to the City's Chief Administrative Officer (CAO) who shall review the organizational and financial impact of the proposed reorganization on the affected Department and the City and shall make a report to the Finance Board and the City Council. If approved by the CAO, the Department will work with Human Resources to update or create the new job description(s). Upon review by Human Resources (as outlined in Section 5.3), any and all classifications and/or reclassifications would be prepared. The Department will follow the classification procedure for adding new or reclassified positions. Such changes are budget amendments and shall be subject to the provisions governing the preparation and adoption of the budget and budget amendments. Such changes shall require final approval of the City Council before posting, placement, or promoting into the vacant position. This process must be completed prior to the implementation of any actual changes in job duties or assignments.

e. Redlining

If, as a result of a transfer in lieu of layoff, <u>demotion</u>, or a reclassification, or atas a the <u>special request to for the benefit of the City</u>, which causes an employee to move from his/her former classification grade -to a classification grade with lower pay-, then the employee will be paid at the rate of their former position for ninety (90) days from the date of the change of position. At the end of the ninety (90) day period, the employee will be placed in the new grade at the step level that reflects his or her years of service with the City.

f. Voluntary Transfer

If a current City employee voluntarily applies for and is hired into a vacant position in the same Department or in any other City Department and such position is assigned a lower classification grade than the employee's former position, that change in position shall be considered a voluntary transfer. The employee shall be

placed as a new hire in the position as provided in Sec. 5.4.a. and the employee will enter a new probationary period at that time. If such position is at the same classification grade as the employee's former position, upon hire, the employee shall be placed at the next step of that grade, shall have a new anniversary date, and enter a new probationary period.